EASTERN REGION OF NIGERIA

Revised Development Programme 1958-62

Revised April, 1960

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A.—INTRODUCTORY

The Development Programme of the Eastern Region for the four-year period 1st April, 1958 to 31st March, 1962, was published as Eastern Region Official Document No. 2 of 1959.

2. The purpose of this document is to inform the Legislature of the Eastern Region of the progress made in the execution of the programme at the half-way stage, to set out the alterations of, and additions to, the original programme and to show the financial adjustments made necessary by those changes.

3. The policy announced in Official Document No. 2 of 1959 remains unchanged and the general pattern of allocation to the various sectors of the programme has not been substantially altered. This document, therefore, does not repeat all the information provided in the 1959 paper but aims at giving, in a condensed form, an explanation of the points at which new projects have been introduced or the expenditure on previously approved projects has been re-phased.

4. The most significant factor to be noted in the year 1960–61 is the ending of the Colonial Development and Welfare Schemes. The grants to the eleven approved schemes operated in the Eastern Region were due to cease on the 31st March, 1960. Her Majesty's Government in the United Kingdom has agreed, however, that the expenditure on schemes not yet completed may be reimbursed, to the extent approved in the several schemes, up to the eve of Independence —that is, up to the 30th September, 1960 —and that the balance of allocations to approved schemes then remaining unspent may be handed over as a free grant to enable the schemes to be carried to completion.

5. It will be observed from the Summary of Colonial Development and Welfare Schemes at the end of Head 806 (Page E 144 of the Draft Estimates for 1960–61) that four of the approved schemes will require appropriations through the Recurrent Estimates to enable them to complete their programme of work for 1960–61. On the other hand, two of the Schemes are not expected to exhaust their allocations by the 31st March, 1961 and are likely to have small balances carried forward for expenditure in the last year of this Development Programme.

B.—GENERAL STATEMENT OF THE REVISED PROGRAMME

6. The Capital Expenditure envisaged under the Development Programme as originally drawn up, compared with the Programme as now revised, is summarised in the following table:

TABLE I

EXPENDITURE WITHIN THE GOVERNMENT'S BUDGETS

	Original Programme	*Revised Allocation*
Agriculture:	£	£
Agriculture	440,000	451,823
Fisheries	110,000	109,884
Forestry	80,000	79,591
Veterinary	160,000	157,402
Transport:		
Roads and Bridges	3,590,000	4,608,740
Inland Waterways (Regional)	100,000	100,000
Community Development Bridges, etc.	150,000	190,000
Water:		
Rural Water Supplies	1,530,000	1,635,000
Urban Water Supplies	870,000	1,141,100
Medical:		
Health (including Leprosy control and research)	875,000	1,048,670
Education:		
School Buildings, Special Purpose Grants, etc.	500,000	650,000
Local Government:		
Loans to Town Planning Authorities	90,000	100,000
Loans to Local Government Bodies	350,000	350,000
Loans to Statutory Corporations	—	100,000
Industry and Commerce:		
Participation in Industrial and Commercial Projects	860,000	1,102,190
Regional Co-operative Bank	50,000	50,000
Information Services:		
Printing Plant and Equipment	100,000	107,500
Building etc.:		
Development of layouts General	200,000	943,490
"Independence" Layout Enugu	750,000	
Plant and Vehicles		1,200
Public Buildings, Legislative, Judicial and Administrative	1,380,000	1,440,270
Housing for Ministers, Public Officers and members of the Public Service	705,000	1,286,000
Participation in Building Society	150,000	150,000
Staff Housing Scheme	20,000	100,000
Minor Works	50,000	50,000
Miscellaneous:		
Refunds General		10,000
Unallocated Reserve:		
Reserve	330,000	
Total Original Development Programme	12,740,000	
Total Revised Development Programme		£15,962,860

7. The commentary on the revised allocations is contained in the paragraphs relating to the individual Ministries in Section D of this Revised Programme.

8. The Development Programme covers the four years from 1st April 1958 to 31st March, 1962. During the first year it was financed from the annual appropriations made under the Consolidated Budget of the Region and from Colonial Development and Welfare Grants. There was no Capital Development Fund and no separation of the Recurrent from the Capital Estimates. The amount expended during 1958–59 on items and projects forming part of the Programme was £1,880,000 (including expenditure reimbursed from Colonial Development and Welfare Grants).

9. On 1st April, 1959 the Capital Development Fund was established by the Funds and Accounts Law, 1959 and to it were transferred all moneys previously set aside in various statutory funds together with the unspent balance remaining in the Local Contributions Account to which the "local" contributions to Colonial Development and Welfare Schemes had been appropriated. A sum of £1,750,000 was also appropriated from the Consolidated Revenue Fund and credited to the newly created Capital Development Fund. These "initial transfers" totalled in all £3,401,296.

10. From 1st April, 1959 onwards expenditure on projects forming part of the Development Programme has been appropriated annually from the Capital Development Fund under the Capital Estimates section of the Regional Budget.

11. It is thus possible to set out the estimated sources of finance for the four-year Development Programme by showing the appropriations and grants made available and spent during 1958–59 together with the initial transfers to the Capital Development Fund on 1st April, 1959 and the estimated receipts (excluding Renewals) into the Fund during the three ensuing years ending 31st March, 1962.

C.—REVISED FINANCING OF PROGRAMME

12. These sources of finance are summarised in the following Table:—

TABLE II

SOURCES OF FINANCE FOR DEVELOPMENT PROGRAMME

(*Figures to the nearest £000*)		*Original Programme* £	*Revised Programme* £
A. Expenditure financed in 1958–59		1,880,000	1,880,000
B. Estimated receipts into the Capital Development Fund			
1. Initial Transfers		3,166,000	3,336,000
2. Contributions from Revenue		2,000,000	1,850,000
3. Colonial Development and Welfare Fund Grants ...		1,824,000	1,824,000
4. Loans to be raised		3,350,000	—
(*a*) Loans from Federal Government		—	2,600,000
(*b*) United Kingdom Exchequer Loan		—	1,000,000
5. Loan Repayments		73,000	70,000
6. Miscellaneous Receipts	}	280,000	{ 163,000
7. Sale of Buildings and Premia on Building Leases ...	}		{ 400,000
8. Premia on Oil Leases		—	1,125,000
C. Total	£	12,573,000	14,248,000

13. The total of capital resources shown in the foregoing Table excluding the finance required for expenditure in 1958–59 (Item A) is less than the total receipts into the Capital Development Fund as shown in Head 800, at page E 121 of the Estimates for 1960–61. This is because the contributions to Renewals Funds (now merged with the Capital Development Fund) totalling £491,140 are calculated to be equal to expenditure out of the five funds, which are self-balancing. These expenses do not form part of the Development Programme and the amount is therefore not included in the total resources available for financing it.

D.—DETAILS OF ITEMS IN REVISED PROGRAMME

Ministry of Agriculture

14. The Building Programme of the various Divisions of the Ministry of Agriculture is approximately fifty per cent completed. Progress has been faster in some Divisions than in others but the overall picture is satisfactory. Under Head 805, Development General, the level of expenditure has been slower and two-thirds of the allocation under this Head is required for the acquisition and development of land for Experimental Farms and Research Stations, where expenditure must tend to be slow in the beginning because of the delays that are inherent in all land negotiations. Another large item is the Aro-Bende soil and land use survey which has been held up because adverse conditions have prevented air photography and, in consequence, the preparation of the necessary maps. Considerable orders have been placed for equipment which must contribute to the more rapid development of the Region. A noteworthy item is a landing craft to transport heavy agricultural equipment in Yenagoa Province, thus opening a new era in the agricultural development of that area. Another item which opens a new vista is an order which has been placed for brine chilling equipment in connection with the development of fisheries.

15. Of the Colonial Development and Welfare Projects, that for Forestry is virtually completed. In Agriculture, the rate of expenditure is very little behind but the same cannot be said of either the Fisheries or the Veterinary scheme. In both of these, progress has been greatly hampered by the difficulty of getting qualified staff. This has to some extent been overcome in the Fisheries Scheme. Two powered trawlers, one built in Scotland and the other and smaller one built by the Federal Government at Opobo, are in commission. Promising catches of fish have been landed, while the approaching completion of an ice plant there has encouraged a commercial operator based in the Cameroons to start landing catches at Opobo in the near future.

Ministry of Commerce

16. Government has increased its provision under Head 804—Industrial and Commercial Development—from £860,000 to £1,049,740. This is partly due to increased provision for contributions to the Regional Broadcasting Service and Regional Television. The important Sub-head—Contribution to Projects under Negotiation—has also been increased to £259,000; this is because there is a number of large industrial projects now under negotiation in which it is desirable that Government should invest and which show every prospect of coming to fruition.

17. Substantial progress has been made in establishing two finance companies to assist in the financing of industrial development. The Investment Company of Nigeria, Limited has been set up with Headquarters in Lagos. The bulk of the ordinary share capital has been subscribed by overseas investors, but the Federal and Regional Governments are being asked to provide long-term loan capital to widen the scope of the Company's investments. Provision has been made in the Capital Estimates for a loan of up to £80,000 to be made to the company on terms to be agreed in consultation with the Governments of the Federation and the other Regions. This project was described in the original Programme as the "Nigerian Industrial Credit and Investment Company".

18. The second company has also been formed with a title different from that shown in the original project. The provision of £110,000 shown in item (*h*) of paragraph 60 of the original Programme as a capital contribution to a "Development Company" now refers to investment in the Industrial and Agricultural Company, Limited, which has established its Headquarters in Enugu. The total Government investment in this Company has been increased to £116,000.

19. The participation, amounting to £150,000, of the Government of the Eastern Region in the Nigeria Building Society is again shown in the Estimates for 1960–61 under Head 804—Industrial and Commercial Development, because the investment must clearly be classified under that general heading. But it is the Ministry of Finance that carries out Government's policy in relation to the Building Society; for that reason it is shown under a separate heading in the original Development Programme, but is now transferred to this section.

20. The extension of the Building Society's activities into the Eastern Region has started and is being developed rapidly. Satisfactory arrangements have been reached for the Society to absorb into its organisation the main financing of the Government Staff Housing Scheme.

Ministry of Education

21. The allocation to the development of Education has been materially increased by the provision of £150,000 for the building and equipping of a Secondary Technical School at Port Harcourt. The rest of the programme, consisting, for the most part, of buildings and equipment for new institutions and Grants for Special Purposes, is proceeding in a generally satisfactory manner, although the contractors have fallen far behind schedule in a few instances. Some minor adjustments between the financial provision for individual projects have been found necessary.

Ministry of Health

22. An increase of £173,670 in the allocation to Medical and Health projects, making the revised total allocation £1,048,670 for the four-year period, has been found necessary. Most of the additional funds are needed for the new building projects listed as sub-heads 116–133 of Head 801 of the Estimates for 1960–61 and includes the cost of providing a Polyclinic at Ogbia on the outskirts of Port Harcourt. A smaller amount is required for the vehicles and equipment listed in sub-heads 81–83 of Head 805.

23. The Colonial Development and Welfare Scheme for Health Services is expected to be completed before the end of March, 1961. The Scheme for Leprosy Control has already been completed, except for making the final payment on the launch which will be delivered during the present financial year.

Ministry of Internal Affairs

Community Development

24. The record of Community Development in the Eastern Region is impressive. The position reached at this, the half-way, stage is that £50,190 has been spent on assistance to projects initiated by communities and £26,150 on Bailey Bridges. The wide variety of projects assisted includes bridges and culverts, village and community halls, market improvements, Postal Agencies and a Post Office, Co-operative Shops Maternity Homes, Health Centres and Dispensaries, and water storage tanks.

25. The allocation to this part of the Programme has been increased to £190,000. It is particularly gratifying to record that communities (or Councils) have deposited with Government Sub-Treasuries over £26,000 in cash during the past two years to further projects of their choice.

Information Services

26. Development under this heading was shown under the Premier's Office in the original Development Programme. The subject has been handled in 1959–60 by the Minister of State for Information (within the Ministry of Internal Affairs) and is to be transferred to the new Ministry of Information which is about to be set up.

Ministry of Local Government

Loans to Local Government Bodies

27. Of the provision of £350,000 for loans to Local Government Bodies, £109,400 has already been issued, and existing commitments amount to £6,600. The initial response to the offer of loans was slow, owing to the need for Councils to consider the detailed plans for expenditure of the funds; applications are now, however, flowing in and those under examination would, if they were all approved, certainly commit the whole balance of the provision.

28. Approval has, in general, been limited to loans not exceeding £5,000, but arrangements have been made to assist the Councils that require much larger loans for worthwhile projects to obtain them on favourable terms from banks, in consideration of a Government guarantee of repayment.

Ministry of Town Planning

29. The allocation for the Development of Layouts in the original Development Programme was £250,000. This has been found inadequate to meet the urgent need for additional projects to be carried out within the four-year period. In particular, in order to meet the pressing need for the development of the Port Harcourt area, this revised Programme contains new allocations of £500,000 for the development of the Trans-Amadi Layout and £100,000 for the provision of services to the Industrial Layout. These new items, together with provision for two smaller schemes at Onitsha, raise the total revised allocation to £944,690.

Ministry of Works

Inland Waterways

30. It is estimated that by the end of the 1959–60 Financial Year, approximately £42,000 will have been spent on Inland Waterways; with this sum launches have been provided for Bonny, Nembe, Northern Ijaw and Southern Ijaw District Councils, and Government has purchased a touring launch, which, like the others, was built at the Opobo Boat Yard. A steel lighter has been purchased for Rural Water Supplies work. Major overhauls and replating have been carried out on Eastern Region Launches and a mobile workshop for servicing Cross River ferries and a steel touring launch have been ordered and are under construction. There is thus little change in the pattern of expenditure set out in the original Development Programme.

Road and Bridge Construction

31. There is only one major change in the Colonial Development and Welfare road programme, and that is the deletion of the provision of £30,000 for the Ozubulu–Atani road. This road, which entails four bridges and a great deal of embanking is now to be undertaken from Regional funds at a cost of £150,000; the savings resulting from the transference of this project from Colonial Development and Welfare Scheme to one financed from Regional funds are being used to increase provision for the Obudu–Ikom road and the Nyaba–Ikot Okoro bridges. As the various projects under the Colonial Development and Welfare Scheme are completed, further savings are likely to materialise and the Secretary of State has been requested to approve that, in this event, the funds should be used to increase the provision of £14,000 for the Degema Hulk–Ahoada road. As a ferry at Degema Hulk will cost more than £14,000 and will be of little use until the road to it has been improved, it is considered more realistic to concentrate what funds are available on culvert and bridge reconstruction on this road. The project has been surveyed and it must be appreciated that very considerable Regional funds will also be required in due course.

32. The original allocation for road and bridge construction to be met wholly from Regional funds was £2,481,260; the revised allocation is £3.5 million, an increase of £1,018,740. The first task for the Ministry of Works has been the completion of projects which were started before the 1st April, 1959, such as the Nnewi-Nnobi-Ekwulobia and the Port Harcourt-Ogoni-Kono roads, which are shown as sub-heads 1 to 12, of Head 802 in the Capital Estimates 1959-60 and as disappearing sub-heads in the 1960-61 Capital Estimates. The second task of the Ministry of Works was to carry out surveys and prepare contract documents and drawings for new road and bridge contracts. For this reason there has been little expenditure on new projects during 1959-60. The Capital expenditure on road and bridge construction provided wholly from Regional funds is estimated to be slightly below £300,000 in 1959-60, but it is confidently expected that the rate of expenditure in 1960-61 and 1961-62 will be four to five times this figure.

Urban Water Supplies

33. The pattern in respect of Urban Water Supplies expenditure is substantially as set out in the original Development Programme, with the exception that a further allocation of £260,000 has been made for starting new installations at Enugu and Onitsha, which will provide a further two million and three million gallons per day respectively. The final cost of these new installations will be in the neighbourhood of £280,000 for Enugu and £400,000 for Onitsha, but no more than £260,000 will be spent in the present Development Programme period. Work has started on new urban water supplies at Ikot Ekpene, Uyo and Owerri, whilst contract documents have been prepared and work will shortly commence at Nnewi, Okrika and Orlu.

Rural Water Supplies

34. As forecast in the original Development Programme, expenditure on rural water supplies has increased rapidly in 1959-60, the revised estimated expenditure being £629,279. This leaves £698,000 to be spent in 1960-61, and as work has now started on nearly all projects it is expected that the Colonial Development and Welfare Scheme will be completed by the 1st April, 1961. However, much still remains to be done in the field of rural water supplies, and for this reason the Secretary of State has been approached with a view to providing technical assistance after 1st April, 1961, so that the experienced staff who have been recruited with great difficulty for this work will not be disbanded. Government has also provided a further £100,000 for new construction which is in the nature of a token figure until the next Development Programme is drawn up.

Buildings

35. The allocation for buildings has been increased from £2,967,629 to £3,896,149. The increased allocation is used in the main for additional quarters; provision has now been made for a new residence for the Honourable Premier, residences for thirteen as opposed to eleven Ministers, quarters for twelve Provincial Secretaries as opposed to eight, a new Government House, a block of flats in Lagos for the use of the Regional Government, and an increase in the number of Civil Service Quarters.

36. In the 1959-60 Estimates the sum of £260,000 was allocated for the new House of Assembly and £350,000 for the new Ministry Block. It has been found more convenient in the 1960-61 Estimates to merge these sub-heads as the two main buildings are related to each other and the design is being carried out by one firm of architects. The cost of this building complex is £2,000,000 but actual expenditure will be kept in the 1958-62 Development Plan to £610,000. Apart from the new Government buildings, work has started in the Independence Layout on thirteen new Ministers' Houses and preliminary work on the new Premier's Lodge and a 100-Bed Hotel. Access roads and a temporary water supply have already been constructed. There will be high and low density areas, shopping centres, schools and other amenities of a modern town, the eventual plan being to house 60,000 people in the Independence Layout.

E. PATTERN OF EXPENDITURE

37. The pattern of expenditure under the Capital Budgets over the four years of the Programme can now be seen more clearly. The provision made in each year is partly a question of phasing and partly of the speed with which plans can be mounted and executed. It has in fact taken considerable time to get the bulk of the projects under way and expenditure is only now gathering momentum. The financial year 1960-61 is likely to be the heaviest period for expenditure, because it is only now that detailed blue prints have been prepared for the main building and road projects in the Programme and large contracts are about to be placed for their execution.

38. The phasing of expenditure; actual for the first year, estimated for last year, provided in Estimates for 1960-61 and projected for the last year of the Programme gives the following pattern:

1958-59	1959-60	1960-61	1961-62
£1.9 million	£4.3 million	£6.7 million	£3.3 million.

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